

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

STARRED QUESTION NO:8

ANSWERED ON:10.08.2007

INFLATION RATE

Singh Shri Mohan;Singh Shri Rajiv Ranjan (Lalan)

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the rate of inflation has increased on the basis of wholesale price index of the essential commodities during the last six months;
- (b) if so, month-wise details alongwith the reasons, thereof;
- (c) whether the inflation curve has decreased since April 2007 while maintaining the trend in growth-rate;
- (d) if so, the details thereof; and
- (e) the steps taken/being taken by the Government to bring down the inflation and to check rising trend of prices of essential commodities?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI P. CHIDAMBARAM)

(a) to (e): A statement is placed on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO LOK SABHA QUESTION ON AUGUST 10, 2007 BY SHRI RAJIV RANJAN SINGH 'LALAN' and SHRI MOHAN SINGH

**INFLATION RATE**

(a) to (e) No Sir, the rate of inflation on the basis of wholesale price index of essential commodities has declined during the recent six months.

The WPI-based inflation trend of 30 essential commodities (composite) for the period from January 2007 to June 2007 is indicated in the Table below.

Table: WPI based Monthly Inflation Rate of 30 Essential Commodities (%)

| Month | Inflation (%) |
|-------|---------------|
|-------|---------------|

|                |      |
|----------------|------|
| January, 2007  | 5.14 |
| February, 2007 | 4.24 |
| March, 2007    | 3.38 |
| April, 2007    | 3.19 |
| May, 2007      | 1.67 |
| June, 2007#    | 0.12 |
| July 21, 2007# | 2.19 |

# Provisional

Containment of inflation remains high on the agenda of the Government. Anti-inflationary policies of the government include strict fiscal and monetary discipline, rationalization of excise and import duties of essential items so that there is no undue burden on the poor, effective supply-demand management of essential commodities through liberal tariff and trade policies, and strengthening the public distribution system.